



SOUTH CAROLINA OPPORTUNITY IN MOTION

EDUCATION | INFRASTRUCTURE | CAPITAL | INTERNATIONAL | LIFESTYLE | PEOPLE

Opportunity.

We're creating it right now in South Carolina.



THROUGHOUT THE STATE, futures are being plotted and fortunes made. Success in one arena manages to trigger the same in others. And like a rising tide, this wave of empowerment spills over divisions of industry, education and economic development.

From heightened research and development capabilities to renowned workforce training methods and undeniable logistic advantages, we're a state that's firing on all cylinders. And we plan to keep it that way by staying conscious of that which separates accomplishment and complacency. Here, momentum will be well managed, and today's opportunities will abound well into tomorrow.



PRIORITIES THAT OPEN DOORS

Give prominence to education, and it will offer back the world.
Respect the power of learning, and “no” will become “yes.” Find
a place that values dreams, and they will come true.

KNOWLEDGE. SKILL. CURIOSITY. They’re taking people places and launching remarkable growth for so many of the state’s businesses. Here’s what education means today in South Carolina:

RESEARCH AND DEVELOPMENT

With three major research universities, South Carolina has established a number of strategic alliances to meet the needs of various industries for innovation and intellectual support. For instance, state-sponsored initiatives like the Endowed Chair Program channel tens of millions of dollars toward advancements in Automotive Research, Marine Genomics, Brain Imaging, Neuroscience, Nanostructure and Regenerative Medicine.

Moreover, each of our research universities has its own unique marquee initiatives. At the forefront of engineering and agricultural research, Clemson University is making significant investments to further its agricultural biotechnology and molecular biology programs. The University of South Carolina is home to a \$33 million, state-of-the-art Graduate Science Research Center. And the Medical University of South Carolina maintains contracts with over 100 business partners to conduct various specialized research initiatives.

THE CENTER FOR ACCELERATED TECHNOLOGY TRAINING (CATT)

Imagine a specialized labor force, skilled and ready to perform the day a new company opens its doors. Since 1961, that has been the reality for 1,596 businesses and 198,026 workers in



Enrollment in South Carolina’s technical college

1993	1994	1995
205,000	207,000	217,000



South Carolina. Thanks to the internationally recognized CATT program, a resource established to design and implement specific training programs for private industries, incoming and native entrepreneurs are spared training hiatuses, certification fees and delayed cash flow. Instead they receive recruiting and training services tailored to their specific needs before a dime is spent on payroll. The end result: dependable productivity and immediate revenue.

SECONDARY EDUCATION

A skilled, capable workforce begins with a well-educated population. That's why we're proud to be making such impressive strides within our public school system. We rank first in the country in teacher improvement and third in the number of nationally certified teachers. And our SAT scores are the nation's most improved.

program continues to rise.

1996	1997	1998	1999	2000	2001	2002	2003
216,000	231,000	236,000	240,000	250,000	000,000	000,000	000,000

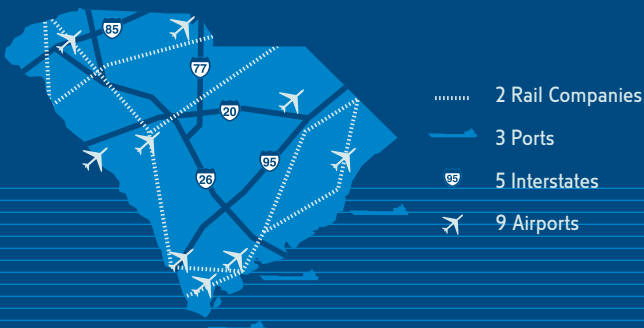
A STAGE SET FOR SUCCESS

Consider a collection of resources, all working in your favor from the very beginning. One by one, they grant access, expedite operations and increase efficiency. Collectively, they empower your company to achieve goals and raise expectations. This is the foundation for success.

A framework to bring your ideas to the world, markets eager to accept them and the ability to be in a hundred different places at once – today's optimal infrastructure lives and breathes in South Carolina.

SHOVEL-READY SITES

Construction in South Carolina can literally begin tomorrow. Because the state offers a multitude of shovel-ready sites, businesses secure facilities faster and capitalize on their respective markets sooner. And finding these optimal locations can be just as immediate. With the state's searchable database at <http://www.sccommerce.com>, you can generate continually updated site lists by defining specific criteria including size, infrastructure and surrounding community resources.





ONE-STOP PERMITTING

Often, the best way to create opportunity is to remove unnecessary obstacles. In South Carolina, we've eliminated the red tape that can inflate an expanding company's real and opportunity costs by creating a single, proactive permit source. In our state, less than 1 percent of permit requests are challenged. The cost of compliance is very low, and initial and maintenance permitting fees are among the lowest in the nation.

INTELLECTUAL PROPERTY PROTECTION

No matter what the industry, ensuring the exclusivity of a product is crucial. This is precisely why South Carolina maintains a strict framework of legislation and practice standards that fully safeguard a product's intellectual property. From trade secrets to patents to copyrights, our provisions have businesses covered. In fact, South Carolina's Trade Secrets Act is the most comprehensive statutory protection of its kind in the United States.

LOGISTICS

Materials. Production. Distribution. All depend on your ability to connect efficiently with the outside world. In South Carolina, our intermodal network of transport

options allows companies to maintain just-in-time manufacturing and distribution processes. Collectively, the state offers three sea ports (including Charleston, the second most efficient carrier port in the country); eight airports with two international hubs; 2,600 miles of rail; and five interstates that connect to over 50 percent of the nation's fastest growing markets, in a day's drive or less. They're the main reasons that all four of South Carolina's major metropolitan areas* were included in Expansion Management's list of America's 100 most logistic-friendly cities.

ABUNDANT, LOW COST UTILITIES

In much of the United States, companies compete for natural resources and pay inflated prices for the rations they do receive. Not in South Carolina, where water, electricity and natural gas are readily available. Two of the largest river basins on the East Coast are located here. And companies have access to two interstate natural gas pipelines with four distributors. With industrial power costs averaging 3.7 cents per kilowatt hour, we offer some of the lowest utility rates in the Southeast.



NOTHING COMPLEMENTS YOUR INVESTMENT LIKE OURS

When an effort is supported, its impact grows exponentially. Strength is drawn from the faith of others. Future gains are made possible. And in time, returns brighten the worlds of all involved. This is the nature of business in South Carolina.

Long known for robust fiscal incentives, South Carolina has taken its support to the next level with a refined strategy to help put financing resources in place for new and expanding companies. It's the reason we've maintained a reputation for record-breaking startups and feature the number one city in the nation for European capital investment *. We also offer the ninth best market for entrepreneurial growth and the country's 17th best place for business and careers **. Here are just a few of the ways we're fostering the development of industry in South Carolina:

PROACTIVE LEGISLATION

In the past, the majority of South Carolina's incentives focused on a traditional manufacturing base. However, a broadened perspective and pervading sense of flexibility now allow us to promote optimal resource pools for a wide

spectrum of industries. For example, when biotech companies approached South Carolina leaders in search of more targeted incentives, the state was quick to offer solutions in the form of a Life Sciences Bill and venture capital fund.

Creating a new eligibility category for companies, this new legislation opens doors for businesses engaged in manufacturing, processing, R&D pharmaceuticals, and medical and laboratory instruments. The Life Sciences Bill doubles the rate of equipment depreciation and enhances some of the state's current incentives, such as cash rebates for eligible expenditures.

TAX ADVANTAGES

South Carolina continues to create opportunity for its businesses by offering a number of strategic advantages and ways to increase profitability.



South Carolina's corporate income tax rate is the lowest in the Southeast.



Our corporate income tax rate is the lowest in the Southeast, and companies have the option to offset corporate income tax liability through credits for new job creation, research and development activities, corporate headquarters facilities, provision of child care facilities and investments in new production machinery. We also offer the option of negotiating a fee in lieu of property taxes with capital investment as low as \$5 million. With this provision, some companies have been able to lower property taxes by as much as 60 percent and stabilize tax bills for up to 30 years.

5.0%	5.5%	6.0%	6.0%	6.0%	6.5%	6.9%
South Carolina	Florida	Tennessee	Virginia	Georgia	Alabama	North Carolina

WE OFFER THE WORLD

Look beyond the immediate and you will find unlimited possibility. Welcome diversity and diverse prosperity will follow. Be open to others and you will be open to success.



Most boundaries are anything but. Time and distance no longer command an indomitable power over business. And in South Carolina, we're taking full advantage of today's smaller world.

EUROPE

Three South Carolina cities were included in Expansion Management Magazine's Top Ten US Metro Areas for European Business Expansion, and it's easy to see why. We offer one of the

country's most progressive business environments and its most efficient container port; no wonder approximately 400 European-owned operations call South Carolina home. To manage and capitalize on opportunities originating across the Atlantic, South Carolina maintains a presence with its office in Munich. Between 2002 and 2003 alone, 39 European companies invested over \$1 billion and created 3,300 jobs here in the Palmetto State.

ASIA

South Carolina is also known for successful long-term partnerships with Japanese firms. The state's earliest Japanese business partners date from the late 1940s and include AVX, Ryobi Motor Products and Star Paper Tube. With the establishment of the South Carolina Tokyo office in 1983, the number of partnerships has

Over 500 international facilities
representing 25 countries employ
a total of 94,000 workers.



Germany
125 facilities
25,120 employees



United Kingdom
83 facilities
10,923 employees



increased dramatically. Today, South Carolina is home to 49 Japanese production and distribution operations.

CULTURAL DIVERSITY

As South Carolina has emerged as a global business hub, it has benefited from an eclectic and diverse mix of cultures. Consequently, the state provides a number of resources to accommodate its international population. Serving families and students in Greenville and Columbia, as well as Charlotte, NC, Japanese Saturday Schools provide supplementary Japanese language and mathematics education to the children of Japanese businessmen on temporary assignment. There are also schools for German and French students in Spartanburg and Greenville.



Japan
61 facilities
15,020 employees



France
53 facilities
16,961 employees



Switzerland
40 facilities
4,109 employees

BALANCE IS AN ART. THIS IS YOUR CANVAS.

Life without parity is hardly life at all. For all the times of challenge and expectation, there must be others that offer release. A moment’s celebration. The pursuit of comfort. These are the instances that accumulate to make our experience worthwhile.

After all the options have been weighed and numbers crunched, an x-factor still remains. This is the collection of intangibles that come to define quality of life. Though difficult to quantify, these elements can be effective tools in the recruitment and retention of top industry talent. They are important, and in South Carolina, they’re unparalleled.

CHOICES

Rural vistas. Urban concourses. The Atlantic Ocean. The Blue Ridge Mountains. In South Carolina, all are within easy reach. With more than 200 miles of coast line, 45 state parks, one of the country’s fastest growing metropolitan areas and several hundred of the world’s most challenging golf courses, opportunities to relax and recharge are everywhere. Options like these make it no surprise that South Carolina is home



to four of the United State’s top 50 cities for expansion and relocation *.

COST OF LIVING

South Carolina offers a cost of living well below the national average. In fact, it’s nearly half that of New York, California and Massachusetts. From beautiful real estate to low income taxes, the level of value that South Carolina offers comes as a welcome change to new residents.

MODERATE CLIMATE

South Carolina’s location along the eastern seaboard provides a near-perfect climate, with four distinct seasons and a mean temperature of



South Carolina is a leader
in offering a low cost of living

(100% = Average of all competitive locations)

South Carolina

Alabama

Tennessee

Kentu

62 degrees Fahrenheit. The Gulf Stream produces sea breezes that cool in the summer and warm in the winter, and the Appalachian Mountains block many of the cold air masses that arrive from the northwest. There is no rainy or dry season, and most of the state receives an average of 49 inches of precipitation each year.

This temperate climate encourages outdoor activities all year. Spring begins in March and is announced by a colorful display of dogwood, azaleas and wisteria. The beaches are busy by mid-April. And with its vibrant foliage, autumn often stretches from September to the initial days of December. Looking for snow? You'll typically find it one to three times a winter in all areas of South Carolina except the Lowcountry, where measurable snow falls about every three years.



											120%
											100%
ucky	North Carolina	Virginia	Georgia	Florida	Ohio	Oregon	Illinois	California	Massechusetts	New York	

OPEN FOR BUSINESS

There is a place where questions outshine answers. Where judgements are tempered and boundaries disappear. Here, ideas become a currency all their own. They change hands. They change minds. They build fortunes.

More than anything, success is an attitude – a roll-up-your-sleeves, refuse-to-settle, can-do perspective that makes things happen. In a state of remarkable diversity, this is our common thread. The ability, enthusiasm and commitment to prosper is shared by every citizen of South Carolina. Imagine the difference that can make.

WORKFORCE

South Carolina is uniquely positioned to provide companies with one of the most cost effective, productive, flexible and technically competent workforces in the nation. As both a right-to-work state and an employment-at-will state, South Carolina offers significant advantages to companies in all industries. In addition to the state's award-winning CATT pre-employment program, we feature one of the lowest unionization rates in the country with virtually no work stoppage.

Moreover, our workforce ranks third highest in the nation in productivity and is projected to grow 30 percent more than the national average. The bottom line: South Carolina's workers make a deliberate, personal commitment each day to maintain the state's reputation as a great place to do business.

LEADERSHIP

The South Carolina Department of Commerce is the state's lead agency to promote economic development and enhance the business climate. Our efforts are grounded in a straight-talk philosophy and sincere commitment to finding optimal solutions for new and existing businesses. To this end, we offer access to the top levels of government and to a number of dynamic resources.



BUSINESS DEVELOPMENT DIVISION

Established to assist incoming industry, the Business Development Division is made up of a team of experienced professionals ready to deliver customized information and serve as a company's liason with the state. These facilitators understand that time is money. So from site selection to tax and incentive structures, they're here to get straight answers, as quickly as possible. With resources like GIS mapping, strategic site location information and a state-of-the-art presentation center, they can deliver quality proposals right away.

BUSINESS SOLUTIONS DIVISION

Through this branch of the Department of Commerce, existing companies, large and small, have access to hands-on consultation; opportunities for identifying new global markets and customers; resources and assistance to facilitate recycling opportunities; and assistance with securing the capital needed for future growth.



COMMUNITY AND RURAL DEVELOPMENT DIVISION

This division works with areas of the state that share specific potential and room for development. Focusing on "product development," professionals in this division work to prepare communities for economic development and job creation.

FILM OFFICE

South Carolina's Film Office recruits and facilitates motion picture production (and related business) to the state. It also fosters the development of the state's indigenous film industry.



For expanding companies the choices are many, and the stakes are high. It's why we deal in answers, not hype. To learn more about the opportunities South Carolina has in store for your business, call us today.



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